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S E C R E T SECTION 01 OF 04 BAKU 000749

SIPDIS NOFORN

DEPT FOR EUR/CARC, DAS KAIDANOW

E.O. 12958: DECL: 09/18/2034

TAGS: PGOV PREL AJ RU TU AM SUBJECT: PRESIDENT ILHAM ALIYEV - MICHAEL (CORLEONE) ON THE OUTSIDE, SONNY ON THE INSIDE

REF: A. BAKU 724 AND PREVIOUS 1B. BAKU 534

1C. 08 BAKU 1136 1D. BAKU 526 AND PREVIOUS 1E. BAKU 696 AND PREVIOUS

1F. BAKU 287

Classified By: Charge Donald Lu, Reasons 1.4 (b) and (d).

- 11. (S/NF) Summary: Azerbaijan's President Ilham Aliyev utilizes distinctly different approaches to foreign and domestic policies. He typically devises the former with pragmatism, restraint and a helpful bias toward integration with the West, yet at home his policies have become increasingly authoritarian and hostile to diversity of political views. This divergence of approaches, combined with his father's continuing omnipresence, has led some observers to compare the Aliyevs with the fictional "Corleones" of Godfather fame, with the current president described alternately as a mix of "Michael" and "Sonny." Either way, this Michael/Sonny dichotomy complicates our approach to Baku and has the unfortunate effect of framing what should be a strategically valuable relationship as a what should be a strategically valuable relationship as a choice between U.S. interests and U.S. values. End Summary.
- (S/NF) This striking aspect of President Ilham Aliyev's

"That's my family, Kay. It's not me."

the financial backbone of the country.

- (C) Ilham Aliyev inherited a newly independent, 13. (C) Ilham Aliyev inherited a newly independent, resource-rich state, brought to order in the post-Soviet era by this father, Heydar Aliyev, scarred by a catastrophic war with Armenia that resulted in occupation of the Nagorno-Karabakh enclave and seven surrounding Azerbaijani regions. He assumed the presidency in 2003, concurrent with his father's death, in an election marked by a lack of competition and debate, at a time when Azerbaijan's re-developed oil and gas resources were being brought on line re-developed oil and gas resources were being brought on line for export. Dogged by widespread doubts about his suitability for leadership based on his age (then 41), lack of achievements and a "playboy" image, he oversaw the launch of a one million-barrels-per-day oil pipeline, which has flooded official and unofficial coffers in Baku and serves as
- 14. (C) The President and his cohorts, who largely were carried over from his father's administration, now seek predictability, stability and continuity to preserve and protect public and private fortunes. Ilham Aliyev's landslide 2008 re-election was followed by a hastily-called March 2009 referendum, which among other things removed term limits for the President. Aliyev's cabinet has changed very little over the years, with few "reformers" brought in or remaining in power. The Prime Minister position is largely ceremonial and weak. Because of family connections, dynastic succession, the strong arming of the opposition and the creation of an elaborate patronage/protection network, the Aliyev Administration has developed an "organized crime" image in some quarters, leading some analysts to see Ilham image in some quarters, leading some analysts to see Ilham Aliyev at times in a mafia-like role.

"Never hate your enemies. It affects your judgment."

15. (C) In their short study "The Godfather Doctrine," Hulsman and Mitchell present brothers Sonny and Michael Corleone from "The Godfather" as exemplars of two out of three schools of U.S. foreign policy thought (with consigliere Tom Hagen representing the third.) However, there are important points they raise about the two that apply well to Aliyev and his policies abroad and at home. Michael, they write, is a talented balancer of alliances, aware of limitations on his own power who, importantly, knows when something isn't personal, but only business. Sonny, by contrast, is brash, impulsive, and puts blind faith in force to address affronts to the Corleone family. For him, business is personal. Finally, Sonny refuses to contemplate a present or a future in which the Corleone family does not dominate New York, despite obvious and growing portents to the contrary.

"This is business, not personal" — Balanced Foreign Policy

- 16. (S) President Aliyev inherited from his father a clever, realistic foreign policy that he has largely maintained. With the overarching goal of maintaining and increasing Azerbaijan's independence and sovereignty, he encourages involvement with NATO and Euro-Atlantic security and political structures and supports a policy of westward transit of Azerbaijani oil and gas through non-Russian channels. Otherwise, though, he alternates between assertiveness and appeasement where his powerful neighbors Russia and Iran are concerned. For example, Azerbaijan routinely accuses Russia of supplying Armenia with weapons and pointedly absents itself from the Collective Security Treaty Organization (CSTO), while participating in GUAM. At the same time, Aliyev constantly plays up his relations with President Medvedev with frequent visits and has kept open the channels of negotiation on energy issues, concluding a small but symbolically important agreement with Gazprom to supply gas to Dagestan (Reftel B). He is assertive enough to defend Azerbaijan's prerogative for an independent policy, but discreet enough that he is in no danger of joining Saakashvili on Moscow's hit list.
- 17. (S) In foreign policy, Aliyev has also been able to maintain generally the distinction between "business and personal." For all his bluster about Azerbaijan's legal right to liberate the Armenian-occupied territories by force, Aliyev has worked constructively on the Minsk Group-proposed Basic Principles and developed a reportedly good rapport with Armenian President Sargsian in contrast to the much more confrontational relationship between the countries' foreign ministers. Similarly, even as Aliyev regards with horror the prospect of Turkey-Armenia rapprochement ahead of Nagorno-Karabakh resolution, the President has instructed SOCAR to continue gas transit and supply talks with Turkey, and no one in Baku has dared to consider a cut in oil exports through the BTC pipeline. The gas transit talks are a hardball affair to be sure, but Aliyev surely recognizes that Azerbaijan cannot really afford a total rupture with Turkey and certainly is not going to go so far as to foreclose on options out of pique while the Turkey-Armenia question remains open.

"You touch my sister again and I'll kill you." - The Hardliner

18. (S) For all of the cool-headed calculation that generally influences Aliyev's foreign policy, his domestic policies are another matter. As Aliyev perceives a challenge to his authority or affronts to his family dignity, even minor ones, he and his inner circle are apt to react (or overreact), much to the detriment of the country's democratic development and movement toward Western alliances. The example of the crude retaliation against the young bloggers Emin Milli and Adnan Hajizade is the most recent and public example (Reftel A). Earlier, defending his decision to rescind licenses for foreign broadcasters, Aliyev expressed his anger that Radio

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Liberty had mocked his plan to build the world's tallest flagpole in the Baku port area, demonstrating exceedingly thin skin (Reftel C).

19. (S/NF) It is examples like these that inspired XXXXXXXXXXX quip to the Charge about Sonny and Michael. XXXXXXXXXXXX elaborated on the point in that conversation, recalling times when he was an XXXXXXXXXXX and similar situations arose. Heydar would never have allowed himself to be goaded into ridiculous reactions, he said. (Note: XXXXXXXXXXX memory on this might be a little selective, but he has a point that the space for opinion was wider under the last President, a view often echoed by journalists who look back to the 1990s nostalgically. End Note.) Ilham Aliyev, in XXXXXXXXXXXX view, is not inclined to subtlety or deliberation in his response to these kinds of issues.

"I don't feel I have to wipe everybody out. Just my enemies."Q------

110. (S) Aliyev takes the actions he does in order to eliminate even the semblance of risk to his political prominence. His goal appears to be a political environment in which the Aliyev dynasty is unchallenged, which was demonstrated by the hastily organized March 2009 constitutional referendum removing presidential term limits. This strangled the hopes of any and all pretenders to succession, including his wife (who in Azeri politics is thought of as a rival Pashayev, not an Aliyev).

- 111. (S) The dissonance between Aliyev's sensible approach to foreign affairs, manifested by the cosmopolitan image he presents to Western visitors, with his tailored suits and flawless English, and the unpleasant reality of his approach to domestic issues raises the obvious question of how these two realities coexist. One explanation is that Aliyev is insecure in domestic politics and relies heavily on the advice of old-line Soviet-style political figures carried forward from his father's administration, such as Presidential Chief of Staff Ramiz Mehdiyev. Alternatively, Aliyev's domestic actions are free choices made in accordance with his instincts, with Mehdiyev and others playing the "heavy.".
- 112. (S) Occasionally, Aliyev's confident tough-guy image gives way to an impression that he is yielding on domestic issues. Outside pressure does not always fail. A recent positive example was the outcome of the parliament's initiative to ram through a Russian-style law on NGOs. In the face of a domestic outcry including from government-supported NGOs, the Presidential Administration intervened to prevent the law as drafted from passing (Reftel D). Likewise, the President recently rejected a bill from parliament that would have required foreign-based entities to hire vetted Azerbaijanis citizens as deputy directors. The business community strongly opposed this bill (Reftel E). Also, the government earlier this year released one of the prominent journalists whose imprisonment was widely believed to have been politically motivated (Reftel F).

"Keep your friends close and your enemies closer."

13. (S) Comment: It is clear that Azerbaijan's future development would better suit United States policy goals if Aliyev pursued his domestic policies in a manner that resembled his foreign policy methods, however imperfect they may be. A full-scale democratic conversion, however, is an unlikely outcome, and the record of presidents in this region leaving office voluntarily is rather thin. What is desirable and perhaps achievable, however, is that Aliyev would govern as a manager of alliances, viewing the political space occupied by dissents as a source of ideas and a warning system for when policies are hurting the national interest; and ceasing to feel that he should strike hard at every criticism that arises, or that he can do so without consequences. At least this type of evolution would better prepare Azerbaijan for the post-Ilham Aliyev era, whenever

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that begins

- 114. (S) Comment Continued: Here is where the Godfather analogy begins to break down. In Azerbaijan the role of loyal consigliere to the father and the son is played by the long-time head of Presidential Administration Ramiz Mehdiyev. Mehdiyev is no calm, conciliating Tom Hagen. We do not know if President Aliyev personally ordered the many iron-fisted domestic initiatives, although he almost certainly approved them, even if after-the-fact. We do see Mehdiyev's fingerprints all over the arrests of journalists, the stifling of opposition leaders, the closure of mosques, the restrictions on the media and the general law-and-order approach to governance. Is he the puppet or the puppet-master? At age 71 and often seen in frail health, this is an increasingly important question. While the rule of 47-year old Ilham Aliyev could continue for decades, it would be most likely without the benefit of his consigliere. Without Mehdiyev, it is not clear whom Aliyev will turn to for help in maintaining the same firm grip on the instruments of power.
- 115. (U) "Don Corleone, I need a man with powerful friends .
 . I need all of those policians you carry around in your pocket, like so many nickels and dimes."